

NOTABLE EVENTS

JANUARY

- General Director of Lenenergo Andrey Likhachev attended the World Economic Forum in Davos (Switzerland) within the Russian delegation

FEBRUARY

- The Regional Energy Commissions (REC's) increased Lenenergo's average electricity tariffs by 10.98% for St.Petersburg and by 22.70% for the Leningrad Region. Average heat tariffs increased by 13.23% for St.Petersburg and decreased (due to expiry of the lease of Kirishy GRES, which served Kirishy Nefteorgsintez in terms of heat supply) by 29.27% for the Leningrad Region.

- General Director of Lenenergo Andrey Likhachev took part in the European road-show from 3 to 8 February 2003. Meetings with investment funds' representatives were held in Stockholm, Zurich, London, Edinburgh.

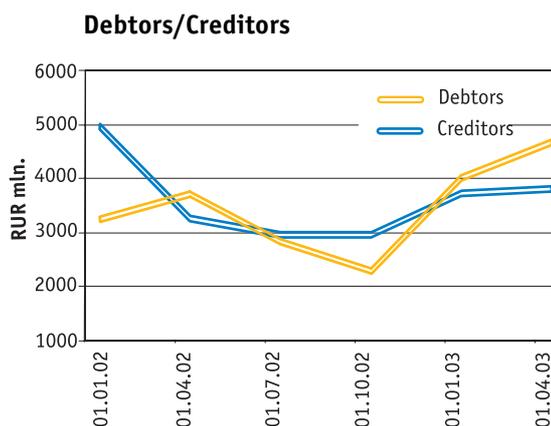
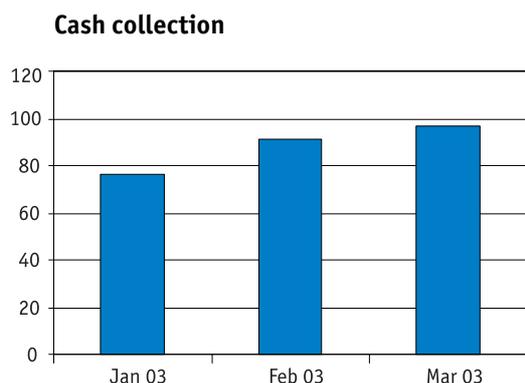
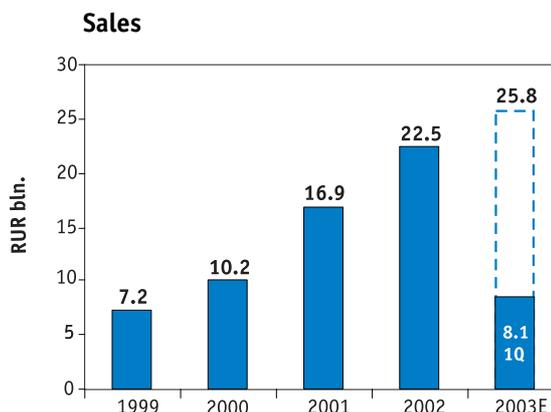
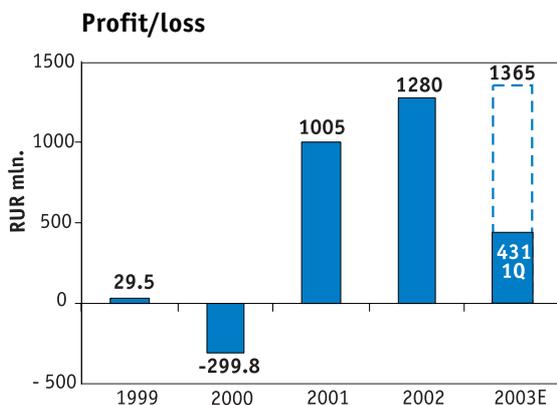
MARCH

- A meeting of the Board of Directors of Lenenergo was held in the Company's Moscow office on 29 March 2003. The main topic on the agenda was the approval of the 2002 Annual Report and the 2002 accounts. Also, the Board reviewed the recommendations on profit and losses distribution in 2002, the size of the dividends for 2002 and the order of dividend payments. The proposed dividend for both common and preferred shares was 1.05 RUR per share.

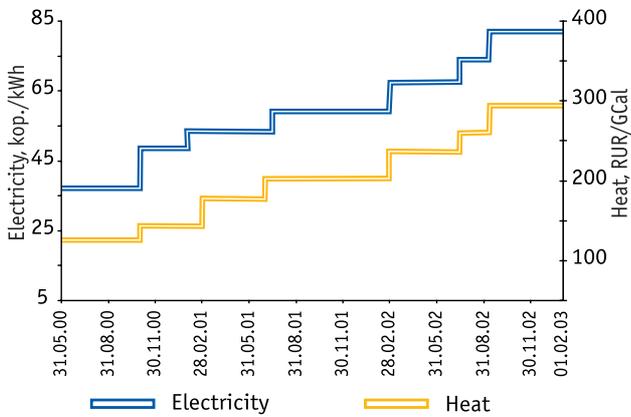
KEY FIGURES

Operational figures	1stQ 2003	1stQ 2002	Change, %
Installed capacity, MW*	3244.5	5352.5	(39.4)
Electricity production, mln. kWh*	3 919	5 215	(24.9)
Purchased electricity, mln.kWh	4 928	2 940	67.6
Electricity deliveries, mln. kWh	7 125	6 548	8.8
Heat deliveries, '000 Gcal	9 233	9 508	(2.9)
Number of employees*	15401	17660	(12.8)
Financial results (RAS)			
Net sales, RUR mln.	8 121	6 142	32.2
Operating profit, RUR mln.	1 404	1 238	13.4
Allocated to reserves, RUR mln.	632	609	3.7
Net profit/loss, RUR mln.	431	453	(4.9)
Earnings per share, RUR	0.38	0.59	(35.6)

* Due to expiry of the lease of GRES-19 (Kirishy)



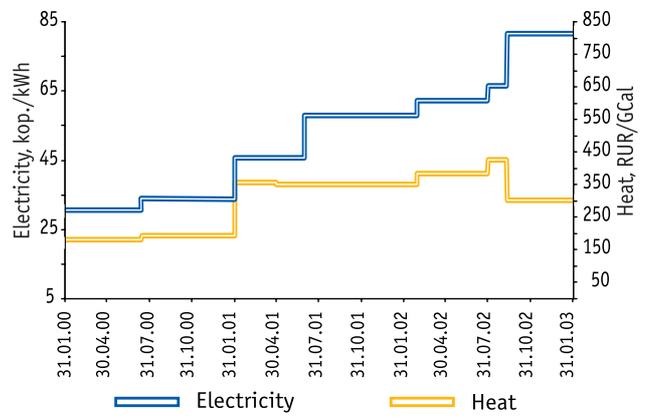
**Tariff changes
St. Petersburg**



Average current tariffs (St. Petersburg):

Electricity 81.90 kop./kWh
Heat 294.56 RUR/GCal

**Tariff changes
Lenoblast**

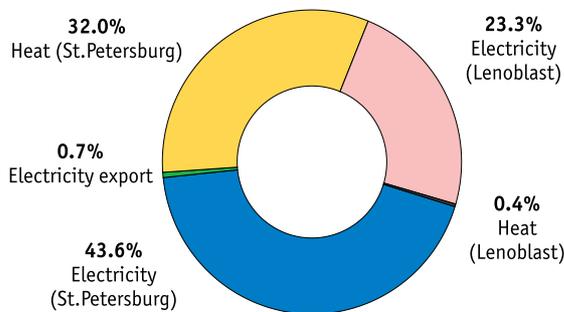


Average current tariffs (Lenoblast):

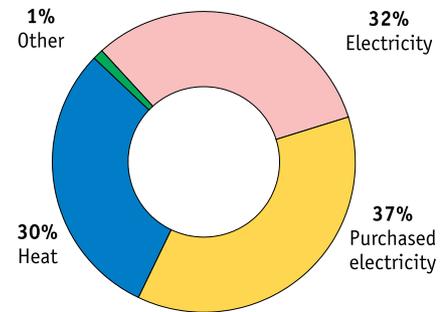
Electricity 81.60 kop./kWh
Heat 302.33 RUR/GCal*

* Due to expiry of the lease of Kirishy GRES, which served Kirishy Nefteorgsintez in terms of heat supply

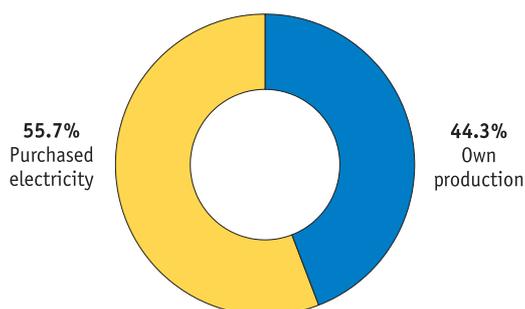
Sales



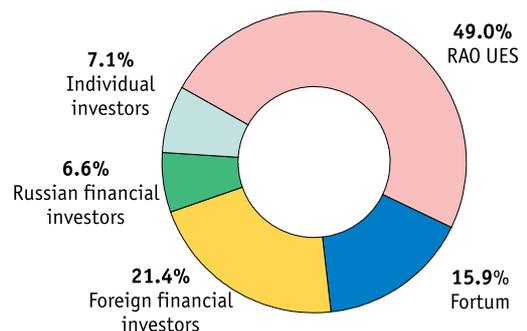
Cost of Sales



Electricity Balance



Shareholder structure





BALANCE SHEET

'000 RUR	January 1, 2003	March 31, 2003
ASSETS		
NON-CURRENT ASSETS		
Intangible assets	9 260	7 911
Fixed assets, incl.:	36 244 872	35 918 562
Land	207	207
Buildings, plants and machinery	36 041 412	35 690 248
Other	203 253	228 107
Investments in non-current assets	3 245 577	3 404 843
Long-term financial investments, incl.:	409 102	408 702
Subsidiaries	18 907	18 907
Affiliates	28 074	28 074
Other companies	352 961	352 961
Long-term loans	6 800	6 400
Other long-term financial investments	2 360	2 360
TOTAL non-current assets	39 908 811	39 740 018
CURRENT ASSETS		
Inventories	1 214 689	1 167 217
VAT	518 678	486 436
Long-term accounts receivable	1 646	1 595
Short-term accounts receivable, incl.:	4 054 606	4 708 489
Customers	3 236 928	3 784 651
Notes receivable	11 793	15 579
Receivable from subsidiaries and affiliates	-	-
Prepayments	424 830	512 284
Other	381 055	395 975
Short-term financial assets	53 856	52 030
Cash and cash equivalents	330 731	261 715
Total current assets	6 174 206	6 677 482
TOTAL ASSETS	46 083 017	46 417 500
EQUITY AND LIABILITIES		
SHAREHOLDERS' EQUITY		
Authorised share capital	897 363	897 363
Ordinary Share Capital	131 328	131 328
Preference Share Capital	766 035	766 035
Additional capital	39 323 323	39 310 727
Reserve capital	50 254	50 254
Social fund	-	-
Retained earnings of prior periods	1 280 228	1 280 299
Losses of prior periods	(783 203)	(783 203)
Profit/Loss of the accounting period	-	430 559
TOTAL Shareholders' equity	40 767 965	41 185 999
LONG-TERM DEBT	733 592	593 213
CURRENT LIABILITIES		
Loans and credits, incl.:	699 282	661 106
Bank credits	163 338	102 000
Loans	535 944	559 106
Accounts payable, incl.:	3 658 692	3 760 710
Suppliers	1 178 126	1 399 617
Notes payable	130	130
Accrued payroll	68 743	56 907
Social funds	38 417	46 374
Budget	542 607	336 773
Prepayments received	1 399 683	1 261 863
Other accounts payable	430 986	659 046
Due to shareholders	400	400
Deferred income	223 086	216 072
TOTAL current liabilities	4 581 460	4 638 288
TOTAL EQUITY AND LIABILITIES	46 083 017	46 417 500



INCOME STATEMENT

'000 RUR	2003 (1st Q)	2002 (1st Q)
Net Revenues	8 121 410	6 141 782
Electricity	5 379 418	3 906 589
Heat	2 580 254	2 170 715
Other	161 738	64 478
Cost of goods sold	6 716 913	4 903 856
Operating Profit	1 404 497	1 237 926
Interest income	28	55
Interest expenses	2 902	4 927
Other financial items gain	-	-
Other operating income	392 450	1 462 370
Other operating expenses	1 099 014	2 169 973
Profit from operating and financial activity	695 059	525 451
Other non-operating income	74 866	191 551
Other non-operating expenses	181 490	87 889
Pre tax profit	588 435	629 113
Income tax and other similar charges	157 876	176 541
Profit after tax	430 559	452 572
Exceptional income	-	369
Exceptional expenses	-	265
Net profit	430 559	452 676

CONTACT DETAILS

DMITRI KHALIZOV,
HEAD OF INVESTOR RELATIONS

tel. +7 (812) 326 5580, fax +7 (812) 318 3747,
khalizov@upr.energo.ru